
Legal Aspects of Real Estate, Fourth Edition Quizzes

for Online and CD-ROM versions

Instructions: Quizzes are open book. All answers are Multiple Choice.
Answer key is located on Page 21.

Quiz 1 — Chapters 1-5, Pages 9-39

- ____ 1. Under _____, legal disputes were settled on a case-by-case basis before a judge.
 - a. the English common law
 - b. the Spanish legal system
 - c. the Mexican civil law
 - d. none of the above
- ____ 2. The federal and state government is divided into these branches:
 - a. executive, statutory and legislative.
 - b. judicial, constitutional and executive.
 - c. legislative, executive and judicial.
 - d. constitutional, statutory and regulatory.
- ____ 3. _____ is the power of the state or local government to protect the public well-being.
 - a. Eminent domain
 - b. Police power
 - c. The power to tax
 - d. none of the above
- ____ 4. Covenants, conditions and restrictions (CC&Rs) which limit subdivision sales to nonminorities violate:
 - a. federal commerce clauses.
 - b. equal protection laws.
 - c. rent control ordinances.
 - d. all of the above
- ____ 5. California has a three-tiered court system consisting of:
 - a. trial courts, superior courts and appellate courts.
 - b. superior courts, night courts and trial courts.
 - c. supra courts, the Supreme Court and night courts.
 - d. trial courts, appellate courts and the Supreme Court.
- ____ 6. Venue in the state court refers to the _____ by county, whereas _____ refers to the power to decide a case.
 - a. jurisdiction; location
 - b. location; venue
 - c. location; jurisdiction
 - d. jurisdiction; venue
- ____ 7. A due-on clause which exists in a lender's trust deed is also called a(n):
 - a. alienation clause.
 - b. petition.
 - c. subordination clause.
 - d. attornment clause.

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- ___ 8. Unreasonable interference with the transfer of a real property interest is a legal rule called:
- conditions restraining alienation.
 - constitutional due process.
 - certiorari.
 - none of the above
- ___ 9. “F. Supp.” in a case citation indicates a decision of:
- a federal appellate court.
 - the Ninth Circuit of the United States Court.
 - the Federal District Court.
 - none of the above
- ___ 10. In the published opinion of a case, the publisher’s commentary on the case facts and law applied should be considered a(n) _____ source of information.
- primary
 - secondary
 - infallible
 - none of the above

Quiz 2 — Chapters 6-9, Pages 40-73

- ___ 1. Real estate is characterized as:
- movable.
 - immovable.
 - Either a or b
 - neither a nor b
- ___ 2. The first component of real estate is land, which includes:
- soil.
 - rocks.
 - reasonable airspace above the earth.
 - all of the above
- ___ 3. The intent to make an item a fixture can be determined by:
- the manner and duration of attachment.
 - the purpose of the item and its age.
 - the manner of attachment, use and purpose of the item.
 - the use of the item and its physical characteristics.
- ___ 4. A tenant holds a(n) _____ in real estate for a fixed period of time.
- fee interest
 - fee simple interest
 - leasehold interest
 - life estate interest
- ___ 5. In a _____, a landlord and tenant agree to successive rental periods of the same length, such as in a month-to-month tenancy.
- periodic tenancy
 - tenancy-at-will
 - tenancy-at-sufferance
 - none of the above
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- ____ 6. A(n) _____ grants its holder a nonexclusive personal privilege to use property.
- a. easement
 - b. license
 - c. covenant
 - d. lease
- ____ 7. On expiration of a lease, the passage of real estate fixtures from the tenant to landlord is a conveyance called:
- a. forfeiture.
 - b. tariff.
 - c. sacrifice.
 - d. reversion.
- ____ 8. On expiration of a lease, a tenant who remains in possession of a property without an agreement or acceptance of rent by the landlord for the extended occupancy becomes a:
- a. holdover tenant.
 - b. tenant-at-sufferance.
 - c. both a and b
 - d. neither a nor b
- ____ 9. The flexibility of a _____ allows a landlord and tenant to terminate a month-to-month tenancy by giving the appropriate notice to vacate to the other party.
- a. periodic tenancy
 - b. fixed-term tenancy
 - c. tenancy at sufferance
 - d. tenancy at will
- ____ 10. An occupant of a vacation property, motel or hotel for less than 30 days is classified as a:
- a. lien holder.
 - b. transient occupant.
 - c. residential property owner.
 - d. commercial property owner.

Quiz 3 — Chapters 10-13, Pages 74-101

- ____ 1. An instrument conveying a possessory interest in real estate which allows the tenant to exclusively occupy the premises in exchange for rent is called a:
- a. license.
 - b. lease.
 - c. servient-tenement.
 - d. grant.
- ____ 2. When an individual makes substantial expenditures to improve his use of another person's property in reliance on the oral consent of the property owner, the license becomes:
- a. irrevocable.
 - b. revocable.
 - c. invalid.
 - d. unenforceable.
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- ____ 3. _____ refer to a landowner's incidental property right to withdraw water from an adjacent river for beneficial use on his riparian land.
- Appropriative rights
 - Prescriptive rights
 - Riparian rights
 - Overlying rights
- ____ 4. The right to use riparian water is a(n) _____ and incidental right which is attached to the ownership of real estate.
- appurtenant
 - unreasonable
 - percolatory
 - correlative
- ____ 5. California established the _____ to act as a referee for all disputes over water rights.
- Department of Real Estate (DRE)
 - Department of Motor Vehicles (DMV)
 - Federal Water Conservation Authority (FWCA)
 - State Water Resources Control Board
- ____ 6. Similar to appropriative rights, prescriptive rights may be lost by abandonment after _____ years.
- two
 - three
 - four
 - none of the above
- ____ 7. While conveying ownership of public trust property, the state of California _____ the public's right to the use of the navigable waters _____ the land conveyed.
- cannot completely convey away; flowing over
 - can completely convey away; flowing over
 - cannot completely convey away; flowing near
 - can completely convey away; flowing near
- ____ 8. An agreed boundary which remains in place for more than ____ years is binding on subsequent owners even if the recorded legal description is different.
- two
 - three
 - four
 - five
- ____ 9. Written or oral agreements on a boundary's location are called _____ since they are not implied.
- implied agreements
 - express agreements
 - uncertain agreements
 - probable agreements
- ____ 10. The agreed-boundary doctrine cannot be used to:
- make a lot line adjustment.
 - convey property.
 - both a and b
 - neither a nor b
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Quiz 4 — Chapters 14-17, Pages 102-118

- ____ 1. Party walls may be in the form of ____ which are co-owned by adjacent property owners.
- fences
 - buildings
 - walls
 - all of the above
- ____ 2. Shrubbery or trees whose trunks stand partly on the land of two adjacent property owners are called:
- line trees.
 - common boundary trees.
 - appurtenances.
 - both a and b
- ____ 3. An improvement on real estate which extends onto property belonging to another person without his consent qualifies as a(n):
- trespass.
 - encroachment.
 - nuisance.
 - all of the above
- ____ 4. Once an encroachment has been determined, the remedies available to the owner include:
- money damages for the diminished value of the property subject to the encroachment.
 - an injunction ordering the removal of the encroachment.
 - reporting the criminal trespass for its removal.
 - both a and b
- ____ 5. When the continuance of an encroachment on an owner's property is permitted, the encroaching neighbor is granted a(n) ____ to maintain the improvement on the owner's property.
- sublease
 - equitable easement
 - injunction
 - all of the above
- ____ 6. An owner seeking to terminate an encroachment or recover his money losses is generally subject to a _____ statute of limitations running from the commencement of the encroachment.
- two-year
 - three-year
 - five-year
 - none of the above
- ____ 7. A(n) _____ is any condition which prevents an owner's free use or enjoyment of his property or is injurious to his health.
- nuisance
 - common boundary dispute
 - trespass
 - abated continuous encroachment

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- ____ 8. A city's right of way includes:
- a. curbs, gutters and an easement on private property.
 - b. street light poles, personal property and sidewalks.
 - c. streets and highways, gutters and street side plots of soil or grassy areas with trees.
 - d. all unfenced property, streets and driveways.
- ____ 9. If a city charter and the statutory tree policy are in conflict, _____ will control.
- a. the city charter
 - b. the statutory tree policy
 - c. it is up to the governor to determine whether the charter or statutory tree policy
 - d. the discretion of the federal government
- ____ 10. If the city is to remove a dangerous tree growing on private property, the city must provide the property owner with _____ before removing the tree.
- a. oral notice ten days
 - b. written notice ten days
 - c. oral notice 30 days
 - d. written notice 30 days

Quiz 5 — Chapters 18-19, Pages 119-134

- ____ 1. A(n) _____ is an interference with another's possession of real estate.
- a. abated nuisance
 - b. trespass
 - c. easement
 - d. all of the above
- ____ 2. _____ includes entering the property possessed by another in case of emergency to abate a nuisance or to serve legal papers.
- a. Privileged entries
 - b. Forcible detainer
 - c. Transient possession
 - d. Right of way
- ____ 3. Examples of trespass resulting from indirect entry include:
- a. depositing dirt or debris on another's property.
 - b. diverting a river or surface waters across another's property.
 - c. leaving toxic waste on another's property.
 - d. all of the above
- ____ 4. If a trespasser does not leave when requested, he commits a:
- a. federal offense.
 - b. felony.
 - c. misdemeanor.
 - d. nonpunishable offense.
- ____ 5. _____ is similar to an unlawful detainer (UD) action but has _____ proof of trespass requirements.
- a. Ejectment; more stringent
 - b. Ejectment; less stringent
 - c. A misdemeanor action; no
 - d. Revocation; no
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- _____ 6. A nuisance is anything which:
- a. is injurious to health.
 - b. is offensive to the senses.
 - c. obstructs the use of property.
 - d. all of the above
- _____ 7. The illegal sale of a controlled substance is considered a(n):
- a. nuisance per se.
 - b. trespass.
 - c. unlawful detainer.
 - d. both a and b
- _____ 8. An activity done or maintained under the express authority of a statute, called _____, cannot be considered a nuisance.
- a. statutory authority
 - b. equitable immunity
 - c. privileged communication
 - d. none of the above
- _____ 9. A _____ is a nuisance which affects an entire segment of the population.
- a. private nuisance
 - b. continuing nuisance
 - c. public nuisance
 - d. temporary nuisance
- _____ 10. An owner may recover _____ for another's malicious or willful creation of a nuisance.
- a. punitive damages
 - b. tax relief
 - c. compensation in the form of land
 - d. none of the above

Quiz 6 — Chapters 20-23, Pages 135-159

- _____ 1. The property which benefits from an easement is referred to as the:
- a. servient tenement.
 - b. diminutive tenement.
 - c. dominant tenement.
 - d. all of the above
- _____ 2. A(n) _____ belongs to an individual and is his personal right.
- a. easement in gross
 - b. appurtenant easement
 - c. easement running with the land
 - d. encroachment
- _____ 3. _____ easements restrict an owner's ability to maintain or construct any improvements which interfere with a neighbor's solar energy system.
- a. Light
 - b. Air
 - c. View
 - d. Solar
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- ____ 4. A(n) _____ is a voluntary conveyance of the right to keep land in its natural or historic condition.
- a. solar easement
 - b. conservation easement
 - c. costal easement
 - d. air easement
- ____ 5. If a property is landlocked, the owner of the property may be able to acquire a(n):
- a. easement by necessity.
 - b. partial easement.
 - c. easement by grant.
 - d. prescriptive easement.
- ____ 6. A(n) _____ is established by the adverse use of another's property for a period over five years.
- a. easement by necessity
 - b. implied easement
 - c. easement by grant
 - d. prescriptive easement
- ____ 7. An easement is terminated by _____ if the easement holder places an excessive burden on the property encumbered by the easement.
- a. abandonment
 - b. merger
 - c. forfeiture
 - d. prescription
- ____ 8. An easement can be terminated through _____ if the easement holder clearly indicates his intent to permanently _____ the easement.
- a. merger; forfeit
 - b. abandonment; abandon
 - c. destruction; destroy
 - d. none of the above
- ____ 9. A(n) _____ is a recorded restriction which requires a property to be used for a specific purpose.
- a. negative covenant
 - b. Declaration of Covenants, Conditions and Restrictions (CC&Rs)
 - c. covenant which does not run with the land
 - d. affirmative covenant
- ____ 10. Covenants, Conditions and Restrictions (CC&Rs) which prohibit the sale of a lot to persons of a certain race or religion are _____ as they _____.
- a. enforceable; do not violate local laws
 - b. enforceable; do not violate federal civil rights laws
 - c. unenforceable; violate federal civil rights laws
 - d. usually unenforceable; frequently violate local laws
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Quiz 7 — Chapters 24-27, Pages 160-199

- ____ 1. If co-owners of an easement cannot agree on the allocation of costs for repair and maintenance of a private road, a(n) _____ will be appointed by the courts.
- arbitrator
 - superior court judge
 - supreme court judge
 - sheriff
- ____ 2. A valid deed must:
- be in writing and identify the grantor and the grantee.
 - contain a granting clause and describe the real estate involved.
 - be signed by the grantor and accepted by the grantee.
 - all of the above
- ____ 3. An executed oral agreement for the transfer of real estate ownership will be enforced under the doctrine of:
- specific performance.
 - estoppel.
 - both a and b
 - neither a nor b
- ____ 4. To establish title by adverse possession, an occupant must show:
- his occupancy is inconsistent and hostile with the owner's title.
 - his possession is based on a claim of right or color of title.
 - he has paid all taxes previously unpaid and assessed against the property during his occupancy.
 - all of the above
- ____ 5. At the time of signing the deed, a capable grantor must:
- possess his civil rights.
 - be of sound mind.
 - be an adult at least 18 years of age.
 - all of the above
- ____ 6. A deed with a misnamed grantee is:
- automatically void.
 - still a valid conveyance of the real estate.
 - unenforceable.
 - none of the above
- ____ 7. For delivery of a deed to occur, the grantor must _____ and the grantee must _____.
- intend to convey title; accept the deed as immediately effective
 - physically hand the deed to the grantee; record the deed with the county
 - place the deed in the mail; plan to accept the deed on certain conditions
 - intend to convey partial title; record the deed with the county
- ____ 8. A deed cannot be delivered to the grantee with instructions placing conditions on its use, called a(n):
- absolute conveyance.
 - partial delivery.
 - conditional delivery.
 - testamentary delivery.

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- ___ 9. While not containing the word “grant,” most quitclaim deeds out of custom use the word(s):
- “release”
 - “remise”
 - “quitclaim”
 - all of the above
- ___ 10. The covenant against other conveyances by a seller does not also imply the grantor has title to the property, called:
- the covenant of seisin.
 - restoration.
 - subrogation.
 - reformation.

Quiz 8 — Chapters 28-30, Pages 200-225

- ___ 1. A(n) _____ is a written statement which presents an accurate, factual representation of title to the property being acquired, encumbered or leased.
- preliminary title report
 - property profile
 - abstract of title
 - none of the above
- ___ 2. Title insurance is the means by which a title insurance company _____ a person who acquires an interest in real estate against a monetary loss caused by an encumbrance on title.
- holds harmless
 - reimburses
 - indemnifies
 - all of the above
- ___ 3. Most losses due to the reduction in the value of real estate below the title insurance policy limits arise out of an encumbrance on title, including:
- restrictions on use.
 - easements.
 - pendency of condemnation.
 - all of the above
- ___ 4. _____ title insurance policies insure both the record title and observable on-site activities which affect title.
- California Land Title Association (CTLA)
 - American Land Title Association (ALTA)
 - both a and b
 - none of the above
- ___ 5. _____ title insurance policies cover use ordinances, zoning laws and post-closing events caused by the insured.
- California Land Title Association (CLTA)
 - American Land Title Association (ALTA)
 - both a and b
 - none of the above
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- ____ 6. _____ are provisions added to title insurance policies to cover losses due to conditions, covenants and restrictions (CC&Rs) violations, mechanic's liens, and the effects of inflation.
- a. Endorsements
 - b. Equitable subordination clauses
 - c. Right of way easements
 - d. Exceptions
- ____ 7. After incurring a loss or damage, the insured must provide the title company with a proof-of-loss statement within _____ days.
- a. 15
 - b. 30
 - c. 90
 - d. 120
- ____ 8. Some criteria for perfecting ownership by an adverse possession claim are _____ and _____.
- a. nonhostile, occasional use of the property; sporadic possession for approximately three years
 - b. continuous and uninterrupted possession for five years; payment of current and delinquent property taxes and assessments
 - c. subtle and unobservable possession; payment of current property taxes and assessments only
 - d. continuous possession for at least four years; nonhostile, occasional use of the property
- ____ 9. _____ is an adverse possession claim of ownership based on a written instrument and is held by the individual in possession of the property.
- a. Color of title
 - b. Claim of right
 - c. Easement by possession
 - d. both a and b
- ____ 10. An adverse possessor must have occupied a property for at least _____ before he will be able to acquire title through adverse possession.
- a. one year
 - b. two years
 - c. five years
 - d. six years

Quiz 9 — Chapters 31-34, Pages 226-258

- ____ 1. A transmutation must be _____ to be effective against persons relying on the record title.
- a. written
 - b. recorded
 - c. both a and b
 - d. neither a nor b
- ____ 2. _____ may be used to authorize one spouse to manage and control community property.
- a. A revocable trust in which one spouse is the named trustee
 - b. A power of attorney
 - c. A limited partnership
 - d. all of the above
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- ____ 3. _____ is required to establish a viable living trust.
- oral agreement
 - Declaration of Trust
 - Declaration of Consent
 - writing signed by the beneficiary only
- ____ 4. Individuals under the age of 18 _____ and _____ relating to the disposition of real estate.
- can receive title to real estate; cannot execute a valid contract
 - cannot receive title to real estate; can execute a valid contract
 - can receive title to real estate; can execute a valid contract
 - cannot receive title to real estate; cannot execute a valid contract
- ____ 5. A _____ exists when a person acts as an executor, administrator, guardian or conservator of estates, or as assignee, receiver, depository or trustee by the appointment of the court or for any purpose permitted by law.
- trust business
 - business trust
 - either a or b
 - neither a nor b
- ____ 6. The only transferable interest a tenant-in-common owns is:
- his fractional interest in the property.
 - the fractional interest in the property held by the other co-owner(s).
 - his fractional interest in the partnership.
 - the fractional interest in the partnership held by the other co-owner(s).
- ____ 7. The alienation of property co-owned by members of a Limited Liability Company (LLC) or partnership refers to its:
- sale.
 - further encumbrance.
 - lease for a period exceeding one year.
 - all of the above
- ____ 8. When a co-owner of investment real estate is classified by the Internal Revenue Service (IRS) as a partner, the real estate is considered to be owned by:
- the co-owner only.
 - a tax partnership.
 - a non-taxable trust.
 - none of the above
- ____ 9. The creation of a joint tenancy traditionally requires the conveyance of four unities of:
- title, interest, time and manner.
 - possession, method, time and title.
 - interest, title, time and possession.
 - time, method, manner and title.
- ____ 10. If a spouse sells or encumbers community real estate without the consent of the other spouse, the nonconsenting spouse may _____ the transaction or have it _____.
- set aside; recorded
 - record; ratified
 - ratify; expunged
 - ratify; set aside
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Quiz 10 — Chapters 35-37, Pages 259-291

- ____ 1. The fee for filing a limited liability company's (LLC) articles of organization is:
 - a. \$50.
 - b. \$60.
 - c. \$70.
 - d. \$80.
- ____ 2. An LLC requires at least ____ member(s).
 - a. one
 - b. two
 - c. five
 - d. ten
- ____ 3. Every LLC must pay an annual minimum franchise tax of:
 - a. \$500.
 - b. \$600.
 - c. \$700.
 - d. \$800.
- ____ 4. The easiest way to convert a limited partnership into an LLC is through a process called:
 - a. acquisition.
 - b. merger.
 - c. unification.
 - d. exemption.
- ____ 5. After the approval of the other members of an LLC, the buyer by an assignment of a departing LLC member's interest is a:
 - a. nonvoting member.
 - b. manager.
 - c. partial member.
 - d. substitute member.
- ____ 6. If an LLC manager is substituted or removed, the LLC must notify the ____ and file a(n) _____.
 - a. county recorder; LLC-1
 - b. governor; LLC-2
 - c. county assessor; Articles of Incorporation
 - d. Secretary of State; LLC-2
- ____ 7. Reassessment by the county assessor will be triggered on the transfer of ____ of the ownership interests held by the members of an LLC.
 - a. less than 50%
 - b. greater than 50%
 - c. any percentage called for in the operating agreement
 - d. none of the above
- ____ 8. Failure to register or qualify the sale of non-exempt corporate securities exposes the syndicator who creates the securities risk to:
 - a. criminal liability.
 - b. civil liability.
 - c. both a and b
 - d. neither a nor b

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- ___ 9. Under California securities law, a securities risk is created whenever an investor places his funds at risk of loss and:
- a. assumes a passive role by giving control over investment decisions to the syndicator or others.
 - b. assumes an aggressive role and makes decisions independently.
 - c. actively protects his fund from loss.
 - d. none of the above
- ___ 10. Investment programs offered by ___ are exempt from securities law.
- a. Nonpublic offerings
 - b. Banks
 - c. Savings and loans (S & Ls)
 - d. all of the above

Quiz 11 — Chapters 38-40, Pages 292-311

- ___ 1. The moment a buyer enters into a purchase agreement with a seller to acquire property, he has ___ the seller's property.
- a. a nonequitable interest in
 - b. an unassignable partial interest in
 - c. no interest in
 - d. an equitable ownership interest in
- ___ 2. The priority of a purchaser's lien on title is set as of the date the buyer is given possession under the purchase agreement, called the:
- a. relation back theory.
 - b. flash back theory.
 - c. valuation date.
 - d. signing date.
- ___ 3. On obtaining a money judgment for a deficiency in property value, a(n) ___ is recorded.
- a. notice of foreclosure
 - b. abstract of judgment
 - c. notice to vacate
 - d. abstract of title
- ___ 4. A(n) ___ is available to a seller as a remedy to recover losses should an escrow officer's miscalculation result in the receipt of insufficient closing funds due from the buyer.
- a. judgment lien
 - b. abstract of judgment
 - c. vendor's lien
 - d. lis pendens
- ___ 5. A vendor's lien ___ be assigned to anyone since it is a(n) ___ in the property sold.
- a. can; equitable interest
 - b. can; nonequitable interest
 - c. cannot; equitable interest
 - d. cannot; nonequitable interest
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- ___ 6. A seller can waive his vendor's lien rights by:
- his conduct.
 - taking security to assure payment of the balance due on the purchase price.
 - both a and b
 - neither a nor b
- ___ 7. A mechanic's lien is unenforceable if the subcontractor fails to serve the ___ preliminary notice to the appropriate parties.
- 10-day
 - 20-day
 - 30-day
 - 90-day
- ___ 8. The mechanic's lien remedy is only available to contractors and subcontractors whose right to be paid had been:
- recorded.
 - assigned to a third party.
 - perfected.
 - none of the above
- ___ 9. On failure to file a foreclosure action within the ___ period, a mechanic's lien becomes void.
- 15-day
 - 30-day
 - 60-day
 - none of the above
- ___ 10. Except in limited situations, the waiver of a subcontractor's mechanic's lien rights is ___ since it is _____.
- enforceable; authorized by statutes
 - enforceable; permitted by public policy
 - unenforceable; against public policy
 - unenforceable; never authorized by statutes.

Quiz 12 — Chapters 41-44, Pages 312-341

- ___ 1. A signed and notarized _____ must be obtained from the lienholder and recorded when a judgement lienholder agrees to release a residence.
- release of recorded instrument
 - hold harmless agreement
 - release of liability
 - none of the above
- ___ 2. Unless a money judgment is either satisfied or released, a judgment lien continues in effect for _____ from the date it was recorded.
- two years
 - five years
 - seven years
 - ten years

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- ____ 3. Lis pendens means:
- pending litigation.
 - Notice of Pending Action.
 - both a and b
 - neither a nor b
- ____ 4. Recording a lis pendens is permitted in:
- actions by adverse possessors to determine claims to title.
 - actions to re-establish lost land records.
 - actions on an improvement bond.
 - all of the above
- ____ 5. A lis pendens may be recorded in an action to impose a(n) _____ on real estate if funds fraudulently acquired from the claimant can be directly traced to the acquisition of the real estate.
- constructive trust
 - implied trust
 - both a and b
 - neither a nor b
- ____ 6. A publication made under an absolute privilege bars an individual from initiating a(n) _____ action.
- foreclosure
 - slander of title
 - both a and b
 - neither a nor b
- ____ 7. An order _____ a lis pendens removes any restrictions sought to be imposed on title to a property.
- hypothecating
 - imposing
 - exempting
 - expunging
- ____ 8. The _____ in a partnership agreement is the _____ method used for eliminating a partner and his creditor.
- arbitration provision; most common
 - arbitration provision; least common
 - buy-out provision; most common
 - buy-out provision; least common
- ____ 9. A declared homestead does not interfere with and remains junior to:
- voluntary liens such as trust deeds.
 - involuntary liens given priority to the homestead exemption under public policy legislation.
 - both a and b
 - neither a nor b
- ____ 10. A winning bid at a execution sale must exceed _____ of the fair market value (FMV) of the homesteaded dwelling.
- 60%
 - 70%
 - 80%
 - 90%
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Quiz 13 — Chapters 45-47, Pages 342-370

- ____ 1. To constitute slander of title, the oral or written statement must cause money losses and:
- be published.
 - be untrue and disparaging to the owner's property interest.
 - be made without privilege.
 - all of the above
- ____ 2. A statement made about a real estate interest as part of a(n) _____ does not subject the person making the statements to liability for slander of title.
- unprivileged publication
 - privileged publication
 - published publication
 - none of the above
- ____ 3. An owner can recover _____ if he can show slanderous statements were made about his property with actual malice.
- punitive damages
 - double any award of attorney fees
 - a tax credit
 - a refund of any Homeowners' Association (HOA) fees paid
- ____ 4. A _____ is a lawsuit to sever or sell real estate which is co-owned.
- dissolution action
 - divorce action
 - partition action
 - subdivision action
- ____ 5. A(n) _____ is a real estate interest which is subject to a partition suit.
- easement
 - profits a prendre
 - life estate
 - all of the above
- ____ 6. When real estate cannot be divided equally in a partition action, _____ is the money paid to even the distribution.
- retribution
 - owelty
 - good-faith deposit
 - none of the above
- ____ 7. A notice of sale must be given to all parties named in a partition action at least ____ days before the sale date.
- 15
 - 20
 - 25
 - 30
- ____ 8. A judicial procedure employed to determine claims to nonpossessory rights in disputes over title to real estate is called:
- a lis pendens.
 - a summary judgment.
 - declaratory relief.
 - a quiet title action.

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- ___ 9. A trust deed expires and is automatically extinguished from the record:
- 10 years after the entire debt becomes due.
 - 60 years after the trust deed is recorded if the due date cannot be determined by the written records of the transaction.
 - both a and b
 - neither a nor b
- ___ 10. An occupant can quiet title to a property in his name and become the owner of record if he can establish a claim of title to the property by:
- equitable ownership.
 - adverse possession.
 - strict foreclosure and forfeiture by the lender.
 - all of the above.

Quiz 14 — Chapters 48-50, Pages 371-386

- ___ 1. The _____ indemnifies the buyer when the seller breaches a purchase agreement for future losses over the entire life of the loan.
- ownership-term formula
 - lease-term formula
 - future-money formula
 - loan-term formula
- ___ 2. The cancellation of a purchase agreement or rescission of a closed transaction is an activity which gives rise to a(n):
- declaratory relief action.
 - quiet title action.
 - both a and b
 - neither a nor b
- ___ 3. When a claim for declaratory relief arises due to a performance which is already in process, the contested activity is generally postponed, called _____, until the declaratory relief action is resolved.
- halted
 - stayed
 - delayed
 - hindered
- ___ 4. An owner _____ to breach his obligations before he can seek a judicial determination of his rights in a _____ action.
- is required; declaratory relief
 - is required; quiet title
 - is not required; declaratory relief
 - is not required; quiet title
- ___ 5. A(n) _____ occurs when a buyer or seller somehow acts to repudiate the purchase agreement before the time for closing arrives.
- breach
 - anticipatory breach
 - cumulative remedy
 - none of the above
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- ____ 6. A declaratory judgment will only be granted if:
- a. an actual controversy exists.
 - b. future litigation is likely to result if the dispute is not resolved.
 - c. both a and b
 - d. neither a nor b
- ____ 7. A buyer who rent skims from _____ parcels exposes himself to multiple acts of rent skimming penalties.
- a. two-or-more
 - b. three-or-more
 - c. four-or-more
 - d. five-or-more
- ____ 8. A tenant's recovery from a buyer who engages in rent skimming includes:
- a. the security deposit.
 - b. moving expenses.
 - c. attorney fees.
 - d. all of the above
- ____ 9. A buyer is subject to an additional _____ imprisonment, _____ fine, or both for each additional act of rent skimming in excess of the five initial properties.
- a. one-year; \$5,000
 - b. one-year; \$10,000
 - c. two-year; \$5,000
 - d. two-year; \$10,000
- ____ 10. The federal rent skimming statute does not apply to the investor of _____ subject to a Federal Housing Administration (FHA) or Veterans Administration (VA) loan.
- a. one property
 - b. two properties
 - c. three properties
 - d. four properties

Quiz 15 — Chapters 51-53, Pages 387-407

- ____ 1. Indemnity is an obligation, also called a(n) _____, which is imposed on one individual and owed to another individual to pay a loss incurred by a third party.
- a. free and clear arrangement
 - b. unaccountability agreement
 - c. immunity agreement
 - d. hold harmless arrangement
- ____ 2. To determine whether a settlement is made in good faith, the settlement amount must be within the reasonable range of the settling party's _____ based on the facts known at the time of the settlement.
- a. disproportional liability
 - b. proportional liability
 - c. proportional interest
 - d. none of the above
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- ____ 3. A(n) _____ controls the annual yield received by a non-exempt lender over the life of the loan, such as interest, discounts and bonuses.
- usury ceiling
 - fee cap
 - usury floor
 - indemnity ceiling
- ____ 4. An agreement containing an attorney fees provision limited to recovery by enforcement, also called a reciprocal fee statute, entitles the prevailing party to reimbursement of attorney fees unless the action involves:
- misrepresentation.
 - deceit.
 - breach of agency duties.
 - all of the above
- ____ 5. When the court enters its final judgment in a case, the prevailing party is the individual who:
- receives the greater money damages award.
 - receives the requested equitable relief.
 - successfully defends against the plaintiff's claim and the plaintiff obtains no relief.
 - all of the above
- ____ 6. Mobilehome park rent increases and the termination of mobilehome rental or lease agreements are controlled by the:
- California governor's office.
 - Department of Real Estate (DRE).
 - Mobilehome Residency Law.
 - language of the rental or lease agreement entered into.
- ____ 7. Attorney fees can be recovered in an action involving similarly situated persons, called a(n):
- class action.
 - joint action.
 - common action.
 - group action.
- ____ 8. A private citizen in a citizen's group who is awarded attorney fees in a public policy case is called a(n):
- amanuensis.
 - attorney general.
 - private attorney general.
 - attorney general elect.
- ____ 9. Fee agreements for attorney services must be in writing when it is known the fees will exceed:
- \$500
 - \$1,000
 - \$1,500
 - \$2,000
- ____ 10. An attorney must provide an itemized billing within _____ days following a broker's request for the billing statement.
- five
 - ten
 - 15
 - 30
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Answer References

for Online and CD-ROM versions

The following are the answers to the quizzes for *Legal Aspects of Real Estate, Fourth Edition* and the page numbers where they are located.

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1. A 9	1. B 40	1. B 75	1. D 102	1. B 119
2. C 16	2. D 42	2. A 79	2. D 103	2. A 119
3. B 17	3. C 46	3. C 81	3. D 107	3. D 120
4. B 22	4. C 49	4. A 82	4. D 108	4. C 122
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6. C 25	6. B 54	6. D 89	6. B 109	6. D 126
7. A 31	7. D 61	7. A 94	7. A 113	7. A 127
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2. A 136	2. D 166	2. D 203	2. D 229	2. A 262
3. D 137	3. C 166	3. D 203	3. B 233	3. D 264
4. B 138	4. D 168	4. B 206	4. A 235	4. B 268
5. A 145	5. D 169	5. D 206	5. A 238	5. D 275
6. D 147	6. B 172	6. A 215	6. C 241	6. D 280
7. C 152	7. A 177	7. C 216	7. D 245	7. B 280
8. B 152	8. C 180	8. B 220	8. B 246	8. C 285
9. D 155	9. D 188	9. A 221	9. C 248	9. A 286
10. C 157	10. A 190	10. C 224	10. D 251	10. D 290
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2. A 293	2. D 313	2. B 344	2. A 376	2. B 388
3. B 298	3. C 319	3. A 348	3. B 377	3. A 390
4. C 299	4. D 320	4. C 350	4. C 377	4. D 393
5. C 299	5. A 322	5. C 353	5. B 378	5. D 394
6. C 302	6. B 325	6. B 355	6. C 379	6. C 399
7. B 304	7. D 325	7. B 356	7. D 381	7. A 401
8. C 305	8. C 329	8. D 358	8. D 382	8. C 402
9. D 310	9. C 332	9. C 362	9. B 384	9. B 405
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